

**Docket No:** 10-0141  
**Bench Date:** 3/24/10  
**Deadline:** NA

**M E M O R A N D U M**

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**TO:** The Commission

**FROM:** Terrance Hilliard and Bonita A. Benn, Administrative Law Judges

**DATE:** March 8, 2010

**SUBJECT:** Commonwealth Edison Company

Petition pursuant to Section 7-101 of the Public Utilities Act to engage in transactions with affiliated interest.

**RECOMMENDATION:** Enter the attached Order approving the Petition.

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On February 25, 2010, Commonwealth Edison Company ("ComEd"), filed a Verified Petition with the Illinois Commerce Commission ("Commission") requesting authority to enter into certain agreements with affiliated interests and take certain actions in connection therewith as described in Docket 10-0141.

None of the principal banks (JPMorgan Chase Bank, N.A., Bank of America, N.A., Barclays Bank PLC and Citibank, N.A. (collectively, the "Principal Banks")) or the arrangers (J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital and Citigroup Global Markets Inc. (collectively, the "Arrangers")) involved in the transaction are currently an "affiliated interest" of ComEd as that term is defined in Section 7-101 of the Act. However, one or more of the following entities, which are currently affiliated interests of ComEd, may become a lender party to the Credit Agreement and extend credit thereunder: Bank of New York Mellon Corporation; Northern Trust Corporation; Key Corporation; and Harris Financial Corporation. In addition, it is possible that, from time to time, ComEd may become affiliated with other parties to the Credit Agreement through changes in their officers or directors or through changes in the affiliations of their officers or directors. Similarly, there is the possibility that one or more financial institutions may "take over" the commitments of a participating financial institution(s). Accordingly, it is possible that such other financial institution(s) may be affiliated with ComEd.

ComEd represents that no affiliation hereafter arising will have, any effect on ComEd's actions relating to the entering into of Credit Agreement and the incurring of credit thereunder or the issuance of the Securities. Instead, participants will be chosen based upon their experience, expertise, reputation, ability and similar qualifications. In addition, ComEd will pay such affiliated interests no more than market prices for

comparable services from comparable entities. By including affiliates, where appropriate as shown by consideration of the criteria described above, in financing transactions, ComEd will be able to increase the economic value of those transactions and favorably impact its cost of capital, which benefits will ultimately be passed on to customers.

The consent to carry out the transactions proposed in this petition is necessary to the conduct of ComEd's business as a public utility. ComEd asserts that these transactions, will be in the public interest and the public will be convenience thereby. ComEd requested expedited consideration of this Petition.

Staff concluded that the proposed transactions meet the requirements of Sections 7-101 of the Act and, thus, recommended that the Commission issue an Order authorizing the transactions described in the Petition.

Accordingly, we recommend the Commission enter the attached Order approving the Petition.

TAH/BAB:fs